

# House Amendment 8470

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1 1 Amend Senate File 2298, as amended, passed, and  
1 2 reprinted by the Senate, as follows:  
1 3 #1. Page 29, line 10, by inserting after the word  
1 4 <infrastructure> the following: <and through the use  
1 5 of community cluster rural development>.  
1 6 #2. Page 37, by inserting after line 4 the  
1 7 following:  
1 8 <Sec. \_\_\_\_\_. Section 28E.35, Code 2003, is amended  
1 9 to read as follows:  
1 10 28E.35 DEFINITIONS.  
1 11 As used in this division unless the context  
1 12 otherwise requires:  
1 13 1. "Community cluster" means a cooperative  
1 14 community unit established pursuant to this chapter  
1 15 for the joint exercise of powers by two or more  
1 16 governmental units and for sharing one or more  
1 17 governmental functions between two or more  
1 18 governmental units participating in a community  
1 19 cluster.  
1 20 2. "Governing board" means the governing board of  
1 21 a community cluster appointed pursuant to section  
1 22 28E.37.  
1 23 ~~2. 3.~~ "Governmental unit" means a city, county,  
1 24 township, school district, merged area as defined in  
1 25 section 260C.2, or special taxing district.  
1 26 4. "Shared governmental function" includes, but is  
1 27 not limited to, joint delivery of services, joint  
1 28 operation of facilities, joint development of  
1 29 infrastructure, or joint fostering of economic  
1 30 development.  
1 31 Sec. \_\_\_\_\_. Section 28E.36, Code 2003, is amended to  
1 32 read as follows:  
1 33 28E.36 ESTABLISHMENT OF COMMUNITY CLUSTER.  
1 34 Two or more governmental units located in the state  
1 35 may, by resolution of each governmental unit,  
1 36 establish a community cluster by entering into an  
1 37 agreement for the joint exercise of powers pursuant to  
1 38 this chapter to make more efficient use of their  
1 39 resources by providing for joint functions, services,  
1 40 facilities, development of infrastructure and for  
1 41 revenue sharing, and to foster economic development  
1 42 shared governmental functions between two or more of  
1 43 the governmental units participating in the community  
1 44 cluster.  
1 45 A community cluster and its governing board shall  
1 46 have all the rights, powers, duties, privileges, and  
1 47 immunities of a governmental unit and governmental  
1 48 unit governing body to the extent that such rights,  
1 49 powers, duties, privileges, and immunities relate to  
1 50 shared governmental functions of the governmental  
2 1 units participating in the community cluster.  
2 2 Sec. \_\_\_\_\_. Section 28E.37, Code 2003, is amended by  
2 3 striking the section and inserting in lieu thereof the  
2 4 following:  
2 5 28E.37 COMMUNITY CLUSTER GOVERNING BOARD.  
2 6 The governing body of each governmental unit  
2 7 participating in a community cluster shall appoint two  
2 8 of its members to a community cluster governing board.  
2 9 However, an alternative board composition may be  
2 10 agreed upon by the participating governmental units.  
2 11 A member of the governing board shall serve for two  
2 12 years or until the member's term on the governing body  
2 13 of the governmental unit expires, whichever is  
2 14 earlier. A vacancy on the governing board shall be  
2 15 filled in the same manner as the original appointment.  
2 16 A member of the governing board shall not receive  
2 17 compensation for service on the governing board.  
2 18 Sec. \_\_\_\_\_. Section 28E.38, Code 2003, is amended by  
2 19 striking the section and inserting in lieu thereof the  
2 20 following:  
2 21 28E.38 POWERS AND DUTIES OF GOVERNING BOARD ==

2 22 EXISTING BONDED INDEBTEDNESS == TAXING AUTHORITY.  
2 23 1. The governing board shall identify governmental  
2 24 functions, services, facilities, development of  
2 25 infrastructure, or economic development efforts that  
2 26 will be shared or jointly provided or operated within  
2 27 the community cluster.  
2 28 2. The governing board shall establish an official  
2 29 name for the community cluster.  
2 30 3. The governing board may provide for the  
2 31 transfer or other disposition of property and other  
2 32 rights, claims, assets, and franchises as they relate  
2 33 to a shared governmental function within the community  
2 34 cluster. A governmental unit participating in a  
2 35 community cluster may make donations of property, real  
2 36 or personal, including gratuitous leases, to the  
2 37 community cluster and the governing board as deemed  
2 38 proper and appropriate in aiding the community cluster  
2 39 and the governing board effectuate their purposes.  
2 40 4. The governing board may provide for the  
2 41 transfer, reorganization, abolition, adjustment, and  
2 42 absorption or merger of existing boards, existing  
2 43 subordinate service districts, local improvement  
2 44 districts, and agencies of the participating  
2 45 governmental units to the extent they relate to a  
2 46 shared governmental function within the community  
2 47 cluster.  
2 48 5. The governing board may determine the  
2 49 boundaries of the service areas within the community  
2 50 cluster and shall provide for administration of the  
3 1 provision of services in each of the designated  
3 2 service areas.  
3 3 6. The governing board may employ and fix the  
3 4 compensation of administrative, technical,  
3 5 professional, and clerical assistance as necessary to  
3 6 administer a shared governmental function.  
3 7 7. a. The governing board may adopt budgets for  
3 8 shared governmental functions within the community  
3 9 cluster and may levy property taxes to the extent the  
3 10 taxing authority of a participating governmental unit  
3 11 is transferred to the community cluster to fund a  
3 12 shared governmental function. The governing board in  
3 13 its budget shall allocate the revenue responsibilities  
3 14 of each governmental unit participating in the  
3 15 community cluster. The governing board shall follow  
3 16 the same procedures for adoption of a budget as if the  
3 17 community cluster were a city and the governing board  
3 18 a city council.  
3 19 b. The governing board shall devise formulas for  
3 20 the transfer of taxing authority from governmental  
3 21 units that are participating in the community cluster  
3 22 to the governing board of the community cluster to  
3 23 fund a shared governmental function. The maximum  
3 24 rates of taxes authorized to be levied by a  
3 25 governmental unit participating in a community cluster  
3 26 shall be reduced by an amount equal to that portion of  
3 27 the levy rates transferred to the authority of the  
3 28 governing board.  
3 29 c. In lieu of transferring property taxing  
3 30 authority to a governing board, a governmental unit  
3 31 participating in a community cluster may meet its  
3 32 shared revenue obligations by transferring other  
3 33 sources of revenue authorized to be collected by the  
3 34 governmental unit.  
3 35 8. The governing board may accept donations,  
3 36 contributions, grants, or gifts from individuals,  
3 37 associations, municipal and private corporations, and  
3 38 the United States, or any agency or instrumentality of  
3 39 the United States, and may enter into agreements in  
3 40 connection therewith.  
3 41 9. The governing board may issue bonded  
3 42 indebtedness to the extent authorized in section  
3 43 28E.39.  
3 44 10. By December 1 of each year, the governing  
3 45 board shall provide a report relating to shared  
3 46 governmental functions and administration of the  
3 47 community cluster to the governing body of each  
3 48 governmental unit participating in the community  
3 49 cluster.  
3 50 Sec. \_\_\_\_\_. Section 28E.39, Code 2003, is amended by  
4 1 striking the section and inserting in lieu thereof the  
4 2 following:

4 3 28E.39 ISSUANCE OF BONDS == APPROVAL BY  
4 4 ELECTORATE.

4 5 1. The governing board may propose the expenditure  
4 6 of funds, the issuance of revenue bonds, entering into  
4 7 a lease-purchase agreement, or the issuance of general  
4 8 obligation bonds for the following:

4 9 a. Acquisition of a construction site and  
4 10 construction of a building or facility for common  
4 11 public use by two or more governmental units  
4 12 participating in the community cluster.

4 13 b. Purchase of an existing building or facility  
4 14 for public use, or conversion of a building or  
4 15 facility previously owned and maintained by a  
4 16 governmental unit for public use by two or more  
4 17 governmental units participating in the community  
4 18 cluster.

4 19 c. Equipping or furnishing a new or existing  
4 20 building or facility for public use by two or more  
4 21 governmental units participating in the community  
4 22 cluster.

4 23 d. Operation, maintenance, or improvement of a  
4 24 building or facility for public use by two or more  
4 25 governmental units participating in the community  
4 26 cluster.

4 27 e. Any other aspect of construction, acquisition,  
4 28 furnishing, operation, or maintenance of a building or  
4 29 facility for public use by two or more governmental  
4 30 units participating in the community cluster, such  
4 31 other aspect having been proposed by the governing  
4 32 board and not otherwise prohibited by law.

4 33 2. The proposal shall be forwarded to the  
4 34 governing body of each governmental unit participating  
4 35 in the community cluster that is listed in the  
4 36 proposal as being allocated a portion of the cost for  
4 37 any of the purposes in subsection 1, paragraphs "a"  
4 38 through "e". The proposal shall specify the purposes  
4 39 for which the building or facility shall be used, the  
4 40 estimated cost of the building or facility, the  
4 41 estimated amount of the cost to be allocated to each  
4 42 of the participating governmental units, the  
4 43 proportion and method of allocating the expenses of  
4 44 the operation and maintenance of the building or  
4 45 facility or improvement, and the disposition to be  
4 46 made of any revenues to be derived from operation of  
4 47 the building or facility.

4 48 3. If a proposal for expenditure of funds, for  
4 49 issuance of revenue bonds, or for issuance of general  
4 50 obligation bonds described in the proposal as  
5 1 essential county purpose bonds or essential corporate  
5 2 purpose bonds is approved by the governing body of  
5 3 each governmental unit named in the proposal, the  
5 4 governing board may include such expenditures in its  
5 5 budget for the following fiscal year. If a proposal  
5 6 for issuance of general obligation bonds described in  
5 7 the proposal as general county purpose bonds or  
5 8 general corporate purpose bonds or for entering into a  
5 9 lease-purchase agreement is approved by the governing  
5 10 body of each governmental unit named in the proposal,  
5 11 the governing board shall direct the county  
5 12 commissioner of elections to submit the proposition at  
5 13 a special election. The special election may be held  
5 14 on the same day as the general election if the county  
5 15 commissioner determines that the elections will not  
5 16 conflict. Only those registered voters living within  
5 17 the governmental units named in the proposal may vote  
5 18 on the proposition. The proposition shall be adopted  
5 19 if the vote in favor of the proposition is equal to at  
5 20 least sixty percent of the vote cast for and against  
5 21 the proposition in each governmental unit named in the  
5 22 proposal.

5 23 4. The governing board when issuing indebtedness  
5 24 pursuant to this section shall follow the procedures  
5 25 for issuance of debt as if the governing board were a  
5 26 city council or a county board of supervisors and the  
5 27 applicable bonding provisions of chapters 74, 75, 331,  
5 28 and 384 shall apply.

5 29 5. Indebtedness issued pursuant to this section  
5 30 shall constitute a debt of the governmental units  
5 31 named in the proposal in the same proportion that the  
5 32 cost of the project is allocated to the governmental  
5 33 units and such indebtedness is subject to any

5 34 statutory or constitutional limitation on issuance of  
5 35 debt if the debt would be subject to such limitation  
5 36 if it were issued by a governmental unit acting alone.  
5 37 Sec. \_\_\_\_\_. Section 28E.40, Code 2003, is amended by  
5 38 striking the section and inserting in lieu thereof the  
5 39 following:

5 40 28E.40 JOINING COMMUNITY CLUSTER OR TERMINATING  
5 41 PARTICIPATION.

5 42 1. A governmental unit, by resolution, may request  
5 43 to join an existing community cluster. The governing  
5 44 body of the governmental unit shall forward the  
5 45 resolution to the governing bodies of each  
5 46 governmental unit participating in the community  
5 47 cluster. If each of the governing bodies approves the  
5 48 resolution, the governmental unit is included in the  
5 49 community cluster and shall appoint two of the members  
5 50 of its governing body to the governing board of the  
6 1 community cluster.

6 2 2. A governmental unit, by resolution, may  
6 3 terminate its participation in a community cluster.  
6 4 Immediately upon its adoption by the governing body of  
6 5 the governmental unit seeking termination of its  
6 6 participation in the community cluster, the resolution  
6 7 shall be forwarded to the governing board. The  
6 8 governing board is not empowered to deny termination  
6 9 but it may set a timetable, not to exceed eighteen  
6 10 months after adoption of the resolution, for  
6 11 termination to be fully effective.

6 12 Sec. \_\_\_\_\_. Section 331.461, subsection 2, Code  
6 13 2003, is amended by adding the following new  
6 14 paragraph:

6 15 NEW PARAGRAPH. h. Port facilities or port  
6 16 facilities systems, including without limitation, real  
6 17 and personal property, water, buildings, improvements,  
6 18 and equipment useful and suitable for taking care of  
6 19 the needs of commerce and shipping, and also including  
6 20 without limitation, wharves, docks, basins, piers,  
6 21 quay walls, warehouses, tunnels, belt railway  
6 22 facilities, cranes, dock apparatus, and other  
6 23 machinery necessary for the convenient and economical  
6 24 accommodation and handling of watercraft of all kinds  
6 25 and of freight and passengers.>  
6 26 #3. By renumbering as necessary.

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6 31 WISE of Lee

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6 35 BELL of Jasper

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6 39 BERRY of Black Hawk

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6 43 BUKTA of Clinton

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6 47 COHOON of Des Moines

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6 51 CONNORS of Polk

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7 5 DANDEKAR of Linn

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7 9 DAVITT of Warren

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7 13 FOEGE of Linn

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7	44	HUSER of Polk
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8	34	MURPHY of Dubuque
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8	42	D. OLSON of Boone
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8 46 OSTERHAUS of Jackson  
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9 32 D. TAYLOR of Linn  
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9 36 T. TAYLOR of Linn  
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9 44 WENDT of Woodbury  
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9 48 WHITAKER of Van Buren  
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10 2 WHITEAD of Woodbury  
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10 6 WINCKLER of Scott  
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